

Message Text

UNCLASSIFIED

PAGE 01 STATE 153679
ORIGIN DOE-15

INFO OCT-01 EA-12 ISO-00 SOE-02 EB-08 AID-05 CEA-01
CIAE-00 COME-00 DODE-00 H-02 INR-10 INT-05 L-03
NSAE-00 NSC-05 OMB-01 PM-05 ICA-20 OES-07 SP-02
SS-15 STR-07 TRSE-00 ACDA-12 /138 R

DRAFTED BY DOE/JTREAT-EB/ORF/FSE-RLANDERS,EW
APPROVED BY EB/ORF/FSE:DFHART
DOE-PBORRE(SUBS)
DOE-RGOODWIN(SUBS)
EA/TIMS-ECHESKY

-----104985 161849Z /43

P 161743Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY JAKARTA PRIORITY

UNCLAS STATE 153679

E.O. 11652: N/A

TAGS: ENRG, ID

SUBJECT: PAC-INDO LNG CONTRACT

REF: JAKARTA 7689

1. AMPASSADOR'S UNDERSTANDING, AS REPORTED REFTEL, THAT
BLS FUELS INDEX WITH CAP IS INCONSISTENT WITH ERA ADMIN-
ISTRATOR'S DECEMBER 30 DECISION IS CORRECT. WE KNOW OF NO
REASON WHY THESE NEGATIVE VIEWS WOULD CHANGE IF ISSUE WERE
AGAIN CONSIDERED BY ERA.

2. DOE POLICY OFFICIALS (AS DISTINGUISHED FROM REGULATORY
OFFICIALS) CONCUR IN ERA'S NEGATIVE VIEW OF BLS FUELS
INDEX AS COMPONENT OF PAC-INDO PRICING FORMULA. BLS FUELS
INDEX WILL BE RISING AT A VERY RAPID RATE OVER THE NEXT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 153679

FIVE TO TEN YEARS AS DOMESTIC ENERGY PRICES MOVE UP TOWARD
WORLD LEVELS. THEREFORE BLS INDEX COMPONENT OF PROPOSED
ESCALATOR COULD PRODUCE EVEN MORE UPWARD PRESSURE ON PAC-
INDO LNG PRICE THAN OPEC COMPONENT.

3. AS NOTED REFTEL, DOE CANNOT PREJUDGE REGULATORY PROCESS;
HOWEVER, DOE POLICY OFFICIALS HAVE STATED THAT THE GNP

DEFLATOR, WPI OR CPI WOULD BE MORE APPROPRIATE MEASURES OF
GENERAL ECONOMIC CONDITIONS. NEWSOM

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LPG, CONTRACTS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE153679
Document Source: CORE
Document Unique ID: 00
Drafter: EB/ORF/FSE-RLANDERS,EW
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780252-0563
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780649/aaaabqjb.tel
Line Count: 64
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 942ac486-c288-dd11-92da-001cc4696bcc
Office: ORIGIN DOE
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 JAKARTA 7689
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2314282
Secure: OPEN
Status: NATIVE
Subject: PAC-INDO LNG CONTRACT
TAGS: ENRG, ID
To: JAKARTA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/942ac486-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014